

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

**FILED**

4-08-16
01:35 PM

April 8, 2016

Agenda ID #14785
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 10-08-024:

This is the proposed decision of the Commission's Administrative Law Judge Division. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's May 12, 2016 Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties to the proceeding may file comments on this proposed decision as provided in Article 14 of the Commission's Rules of Practice and Procedure (Rules), accessible on the Commission's website at www.cpuc.ca.gov. Pursuant to Rule 14.3, opening comments shall not exceed 15 pages.

Comments must be filed, pursuant to Rule 1.13, either electronically or in hard copy. Comments should be served on parties to this proceeding in accordance with Rules 1.9 and 1.10. Electronic and hard copies of comments should be sent to the Intervenor Compensation Program at Icompcoordinator@cpuc.ca.gov. The current service list for this proceeding is available on the Commission's website at www.cpuc.ca.gov.

/s/ KAREN V. CLOPTON
Karen V. Clopton, Chief
Administrative Law Judge

KVC:lil

Attachment

Decision **PROPOSED DECISION OF ALJ DIVISION** (Mailed 04/8/2016)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Liberty Utilities (CalPeco Electric) LLC (U933E) for a Permit to Construct Electrical Facilities with Voltages between 50kV and 200kV: The 625 and 650 Line Upgrade Project.

Application 10-08-024
(Filed August 30, 2010)

**DECISION GRANTING COMPENSATION
TO NORTH TAHOE CITIZEN ACTION ALLIANCE
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 15-03-020**

Intervenor: North Tahoe Citizen Action Alliance	For contribution to Decision (D.) 15-03-020
Claimed: \$78,250.61	Awarded: \$38,084.26 (~61.52% reduction)
Assigned Commissioner: Michel Peter Florio	Assigned Administrative Law Judge (ALJ): Administrative Law Judge Division ¹

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	The decision granted Liberty Utilities a Permit to Construct Phase 1 of the 625 and 650 Line Upgrade Project. Phase 2 and Phase 3 construction is subject to the Commission approval of a Tier 2 Advice Letter which must be preceded by a "new network study." The new network study has several qualifications and conditions, e.g. being accurate and complete, make explicit and documented assumptions, include the entire network, and exclude load growth outside of the system as
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¹ This proceeding was previously assigned to Judge Jean Vieth.

	justification for Phases 2 & 3.
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Intervenor	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	2/3/2014	Verified.
2. Other specified date for NOI:	NA	
3. Date NOI filed:	3/4/2014	Verified.
4. Was the NOI timely filed?		Yes, North Tahoe Citizen Action Alliance (NTCAA) timely filed the notice of intent to claim intervenor compensation.
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	Application (A.) 10-08-024	Verified.
6. Date of ALJ ruling:	4/16/2014	Verified.
7. Based on another California Public Utilities Commission (Commission) determination (specify):	NA	
8. Has the Intervenor demonstrated customer or customer-related status?		Yes, NTCAA demonstrated appropriate status.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.10-08-024	Verified.
10. Date of ALJ ruling:	4/16/2014	Verified.

11. Based on another Commission determination (specify):	NA	
12. Has the Intervenor demonstrated significant financial hardship?		Yes, NTCAA demonstrated significant financial hardship.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	Decision (D.) 15-03-020	Verified.
14. Date of issuance of Final Order or Decision:	3/26/2015	March 27, 2015
15. File date of compensation request:	5/18/2015	Verified.
16. Was the request for compensation timely?		Yes, NTCAA timely filed the request for compensation.

C. Additional Comments on Part I:

#	Intervenor's Comment(s)	CPUC Discussion
14	The Commission's Final Decision (D.15-03-020) was issued March 26, 2015 fifty-five months after the initial filing by Sierra Pacific Power (August 2010) for the Permit to Construct this project. During this lengthy proceeding Sierra Pacific Power sold their service area to an unknown Canadian Corporation, the new company filed to take over the project, and then filed for a General Rate Case. As a direct citizen/ratepayer local organization NTCAA's leadership wrote letters to	The comments included by NTCAA, at left, were added to the amended claim for intervenor compensation. The Commission did not request clarification from NTCAA for this section of the claim. The Commission did not utilize the newly submitted comments when making the determination on NTCAA's claim; however, nothing in these additional comments would warrant a different result in this decision.

<p>the ALJ and Commissioner assigned to the Upgrade Project in November 2012, followed by extensive research and data requests, and formal requests for Party Status in early 2013. It was not until a year later and much further research that NTCAA was granted party status enabling participation and substantial contribution; however, the preliminary research (and data requests) prior to NTCAA being formally granted party status was necessary and essential to NTCAA's credible participation in 2013, 2014, and 2015 leading up to the final decision.</p>	
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PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (*see* § 1802(i), § 1803(a), and D.98-04-059).

B. Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
<p>Overview. The Application was for a Permit to Construct (PTC) the entire upgrade project (all 3 Phases) with construction completed by October 2014. After Sierra Pacific Power sold the system to CalPeco in January 2011, an amended Application was filed seeking a PTC for the same whole project to be constructed in three</p>	<p>Initial Application A.10-08-024 by Sierra Pacific Power Company, August 2010 at 2. A.1008024, at 4. California Pacific Electric Company Amendment,</p>	<p>Verified.</p>

<p>Phases beginning in October 2013 and completed in October 2019. The technical basis and support for CalPeco's project was explicitly stated as "Sierra's 1996 Study" or the North Tahoe Capacity Plan Study, and a reevaluation by Tri Sage Consulting in 2011. These documents were first requested by NTCAA in January 2013, and repeatedly requested of all parties and agencies. NTCAA finally received them (and the ZGlobal Report's power flow analyses) in January 2014. NTCAA engaged the appropriate technical expert to thoroughly analyze the power flow cases, derive as much information as possible from the technical reports, and expose the fatal technical flaws in the reports. NTCAA requested the actual logs of load data at each substation, access to the base models used, and other hard data to ensure the accuracy of the technical power flow plots, but this was never</p>	<p>September 30, 2012.</p> <p>Appendix H</p> <p>CalPeco Amendment, Sept.2012 p.5.</p> <p>Opening Brief, North Tahoe Citizen Action Alliance, November 4, 2014, Attachment 4, at 1-2.</p> <p>Law and Motion: Motion to Compel, North Tahoe Citizen Action Alliance, May 20, 2014, Attachment 3, Tom Besich Technical Assessment, at 2-8.</p> <p>Joint Ruling of the Assigned Commissioner and the ALJ on Outstanding Motions and Next Steps. September 23, 2014, at 4.</p>	
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<p>made available. NTCAA's evidence of flawed studies was not being heard. In a Joint Ruling said "The environmental consultants retained to prepare a joint environmental document for the three lead agencies include an electrical engineering expert. The expert has reviewed the engineering support offered by Liberty Utilities and the assessments prepared by the electrical engineering expert retained by Grassi and another party, North Tahoe Citizen Action Alliance (NTCAA). The Final EIS/EIS/EIR, released by the lead agencies on September 19, 2014, addresses the criticisms levied by Grassi/NTCAA and concludes that the proposed upgrade project is needed for system reliability. (See Appendix P, Master Response 6 at P1a-13 through P1a-15 and at Appendix P2b.)"</p> <p>This position changed completely after the Commission staff</p>	<p>See Attachment A, letter from NTCAA expert after the December 2014 conference call dated January 8, 2015. After this technical exchange the Commission expert, Paul Scheuermann reversed his position entirely, as did the Commission staff, and this change reflected in the FD.</p> <p>See Scheuerman Memo, last page of Appendix P4 Final EIR and quoted in D.15-03-020, at 41-42.</p>	<p>Verified. Much of NTCAA's Motion to Compel dealt</p>
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<p>arranged a meeting of the "experts" from both sides in December 2014 to resolve the technical discrepancies. In January 2015 Scheuerman's new Memo stated that the trigger points must be based on a model that is "accurate," and that "It is not possible to correctly identify the trigger points for Phases 2&3 without completion of a new network study."</p> <p>Issues</p> <p>1. Flawed studies require new network study prior to Phases 2 & 3.</p> <p>NTCAA and its expert have explicitly stated the need for new and "proper" technical studies. Besich suggests LU needs to "conduct a competent technical re-evaluation of voltage to determine at what future load level and under what system conditions voltage problems exist." Besich further states, "conduct a competent power flow study including correct transformer models and more realistic line ratings."</p>	<p>Direct Testimony of Thomas Besich, October 10, 2014, at 4.</p> <p>Motion to Compel, May 20, 2014 Attachment 3, Technical Assessment, Tom Besich, dated April 28, 2014, at 4.</p> <p>Motion to Compel, May 20, 2014, Technical Assessment by Tom Besich, dated April 28, 2014.</p> <p>Attachment A, letter from NTCAA's expert after December 2014 conference call dated January 8, 2015, at 12.</p> <p>Direct Testimony of Tom Besich, October 10, 2014, at 10-13.</p> <p>Also, Attachment A, letter from NTCAA expert to Rosauer after December Conference call, dated January 8, 2015 at 7.</p>	<p>with issues outside the scope of the proceeding and such work did not substantially contribute to the Commission's decision.</p>
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<p>Besich responds to Rosauer's inquiry, "I would think the 1st rule would be to accurately assess system performance to determine in-service dates [for Phases 2&3]</p> <p>Even the Addendum to ZGlobal's Report produced to address some of the flaws noted in Besich's April 28, 2014 Assessment, were simply replaced by other errors, as later noted in Besich's testimony.</p> <p>The Commission agreed with NTCAA, "We reiterate that a new network study must form the basis for the trigger point assessments for Phases 2 and 3. The flaws in the existing planning documents leave those documents insufficiently reliable for such use.</p>	<p>Quote is directly from D.15-03-020, at 43.</p>	
<p>2. New Study should reexamine timing of Phases 2&3.</p> <p>The Commission's</p>		<p>Verified.</p>

<p>Decision states, "The proposed decision agrees that the timing should be reexamined, given acknowledged flaws in the initial planning documents."</p> <p>Findings of Fact #15 states, "Nothing in this record assigns reliability or safety urgency to the Phase 2 upgrade or the Phase 3 upgrade, though both are consistent with good engineering [] practices." Again, the exposure of deficiencies in the technical studies by NTCAA's expert showed much greater system capacity and resilience once Phase 1 upgrades were done. And in multiple places Besich emphasized how Phase 1 upgrades should have already been done, thereby relieving any urgency for Phases 2&3.</p> <p>CalPeco attorneys have consistently tried to compress Phases 2&3 into the project as necessary as Phase I. In response to question from the ALJ CalPeco attorneys said, "With respect to the need for the project, you asked</p>	<p>D.15-03-020, at 46.</p> <p>D.15-03-020, at 48.</p> <p>Motion to Compel, May 20,2014 Attachment 3, Technical Assessment, Tom Besich, dated April 28, 2014, at 2(A), 3 (1), at 7.</p> <p><i>See also</i> Direct Testimony of Thomas Besich, October 10, 2014, at 3 q6, and at 4 q7.</p> <p>PHC Transcript, February 13, 2012, at 15 line 11-15.</p> <p>This PHC occurred before NTCAA was involved and demonstrates how CalPeco was seeking approval for all three Phases to be implemented at their discretion.</p>	<p>NTCAA overstates its contribution to the proceeding.</p>
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<p>a question about load growth, and this project is driven by reliability. So load growth is sort of there and not there."</p> <p>It was only because of NTCAA's diligence, participation and expert review of the technical details that any new study and its qualifications were part of the Final Decision. CalPeco would have otherwise received a permit for all three Phases to be installed as they saw fit at a cost of \$46,000,000 serving only 46,000 customers.</p> <p>3. Requirements for the new study.</p> <p>The Final Decision made several specific qualifications or requirements for the new study; e.g. Phase 2&3 as "load growth warrants" and "must verify that load growth outside of its own system is not the basis for the 'trigger points.'"</p> <p>This was a major point demonstrated by NTCAA that loads outside the CalPeco service area were responsible for the</p>	<p>Final Decision 15-03-020, at 47 #4.</p> <p>Final D 15-03-020, at 48 #14.</p> <p>Opening Brief, NTCAA, November 4, 2014, at 3. <i>See also</i> Attachment 4 was NTCAA's Technical Comments dated February 14, 2014, at 3-5.</p> <p>Final Decision 15-03-020, at 48 #11.</p> <p><i>See</i> Attachment A, Letter from Tom Besich to Rosauer after December 2014 conference call, January 8, 2015, at 6.</p>	<p>NTCAA reiterated contentions on this issue and such reiteration did not contribute to the proceeding.</p> <p>The Final Decision clarifies that Liberty Utilities previously stated that it would not proceed with Phase 2 and 3 exclusively on the basis of load growth outside the service territory. NTCAA did not substantially contribute on this issue.</p> <p>D.15-03-020 found that Liberty Utilities must fully demonstrate growth before initiating Phase 2 and Phase 3, as the record did not reflect this occurrence, as incorrectly</p>
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<p>growth over the last 15 years.</p> <p>As the new study's technical basis a "network model should include all interconnected substations to accurately model demand."</p> <p>The need for this was presented by Besich in reference to load rolling between CalPeco's connected Meyers substation and NV Energy's connected Incline substation. Load rolling was never even considered in the deficient studies.</p> <p>And to ensure factual basis, "All data and assumptions for a new network study should be documented and justified along with results and power flow plots, with the final deliverable being the timeline 'trigger points' for Phase 2 and for Phase 3." Also, CalPeco must "identify and explain any 'other considerations' that affect its identification of trigger points for the construction timetable..."</p> <p>The problem of data</p>	<p>Final Decision 15-03-020, at 48 #12.</p> <p>Final Decision 15-03-020, at 48 #14.</p> <p>Attachment A. Letter from Tom Besich to Rosauer after the December 2014 conference call, January 8, 2015, at 3-5.</p>	<p>indicated by NTCAA. In addition, Liberty Utilities proposed to undertake a new network study and the Utility stated that it would not begin Phase 2 and 3 activity until it had submitted an advice letter that demonstrated that the triggering points would be reached.</p>
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<p>assumptions not being documented or justified occurs throughout the deficient studies. But a clear example is in Besich's letter to Rosauer January 8, 2015.</p> <p>NTCAA has referenced several Findings of Facts in the Final Decision, which are repeated almost verbatim in Orders #2, #3, #4 and tie directly to what NTCAA has significantly contributed to the Final Decision.</p>		
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C. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor's Assertion	CPUC Discussion
a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?²	No	Verified.
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Yes.
c. If so, provide name of other parties: Ron Grassi		Yes.
d. Intervenor's claim of non-duplication: Grassi's concerns were primarily the application of GO131-D, the narrow scope of the Commission's original Scoping Memo, the excessively high project cost in relation to the		The positions advocated by Grassi and NTCAA were

² The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

number of customers to pay for it, and the removal of about 30,000 trees in the Lake Tahoe Basin. Mr. Grassi is a retired attorney and does not have a technical background. NTCAA does have former engineers as part of our working group and undertook the hiring of Tom Besich as our electrical engineering expert.

Mr. Grassi was not involved in any of the technical research, writing, or discussions that led to the technical exposure of deficiencies. In addition, Mr. Grassi is not seeking intervenor compensation, so the only party to protest this Application for a Permit to Construct was NTCAA.

duplicative and excessive, and therefore, did not result in productive participation.

As stated in § 1801.3(f) of the Public Utilities Code, awards for intervenor compensation

“shall be administered in a manner that avoids

unproductive or unnecessary participation that duplicates the participation of similar interests otherwise

adequately represented or participation that is not necessary for a fair

determination of the proceeding.”

Here, the participation of both Grassi and NTCAA was not necessary for a fair determination

of the proceeding as both parties presented similar,

	<p>duplicative information regarding the need for the project, environmental review, and the alternative proposal.</p> <p>The Commission notes that Grassi and NTCAA shared the same expert in this proceeding. In addition, the Commission jointly mentions the shared positions of Grassi and NTCAA in at least 15 instances. These occurrences offer further support that the parties engaged in duplicative participation in this proceeding. It must be noted that the Commission did not request new information from NTCAA regarding duplication.</p>
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D. Additional Comments on Part II

#	Intervenor's Comment	CPUC Discussion
A	<p>In clarifying NTCAA's substantial contribution with the submittal of this Amended Claim, NTCAA emphasizes the uniqueness of this proceeding; such as, it was only for a Permit to Construct, no participation by the ORA, sale of the service territory during the proceeding, the location of environmental impacts in the Lake Tahoe Basin, and the partitioning of Sierra Pacific Power's into a very small service area of only 46,000 customers. NTCAA's leadership was challenged as to how to approach this situation in the most economical way, but still seeking the technical data that would give credence to their concerns. The amount of time for research was far beyond what is being presented in this claim. And were it not for NTCAA then the Application would have been approved as submitted in 2011 in CalPeco's Amended Application. All three Phases would likely be nearly completed at this time, with the customers facing a significant expense for an overly engineered system.</p>	<p>The statement “were it not for NTCAA then the Application would have been approved” overstates NTCAA’s contributions to the proceeding and is speculative.</p>

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 and 1806):**

<p>a. Intervenor's claim of cost reasonableness: NTCAA's participation resulted in saving ratepayers the rate recovery for Phases 2&3 estimated at 18% of an estimated \$40 million or about \$7 million per year. NTCAA's cost of participation is minor compared to benefits gained by deferring Phases 2&3 prior to an accurate and complete network study.</p>	<p style="text-align: center;">CPUC Discussion</p> <hr/> <p>Verified.</p>
<p>b. Reasonableness of hours claimed: Mr. McClure first filed as a ratepayer/business owner with an Memoranda of Understanding that included support from several other citizen/environmental activist non-profits. The reason was that the Board of Directors of NTCAA thought that a private business owner in conjunction with four non-profit organizations would enhance the prospects of being granted party status. As President of NTCAA Mr. McClure gained experience essential for the second filing with an attorney, Gloria Smith, on behalf of NTCAA. As the proceeding progressed, it became clear that translating the highly technical details between the electrical engineer expert and an attorney would only add a layer of cost that was not necessary. So NTCAA's Board decided to have Mr. McClure represent the organization <i>Pro Se</i> unless it was determined to be ineffective. However, the resulting decision showed the cost effectiveness of numerous pleadings, the employment of a sufficiently qualified expert, and the ultimate effectiveness in representation for NTCAA. The benefit to ratepayers is a reduced number of hours for an attorney, focusing more resources on hours of technical expertise and fewer at the higher attorney rate.</p>	<p>NTCAA claimed excessive hours in light of its participation in the proceeding, which primarily focused on one issue. NTCAA was not efficient in its participation, and often did not sufficiently and clearly explain its position. We reduce the award due to this lack of efficiency and due to the duplication that occurred with Grassi in the limited areas where contributions were made.</p> <p>“When we direct the payment of an award that is less than the amount requested by a customer, the customer should not view the reduction as a penalty. While we wish to foster individual and group participation in our proceedings, we must balance that interest with the requirement that compensated intervention must provide value to the ratepayers that</p>

	<p>ultimately fund it. The Commission must make a judgement as to what amount of compensation is reasonable in light of the substantial contribution made by the customer. The award we direct herein reflect[s] that judgment, and we commend [the intervenor] for representing ratepayer interests in this proceeding.” Decision 00-02-044 at 1; 4 CPUC 3d at 253.</p> <p>Here, the Commission determined that a 30% reduction to the award is warranted.</p>
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<p>c. Allocation of hours by issue: The issues identified in NTCAA's NOI were:</p> <ol style="list-style-type: none"> 1. Evaluating the technical basis supporting the Application; 2. Issues pertaining to alternatives and other options; 3. Whether project benefits outweigh its costs and environmental impacts, and whether entire project is currently needed at all. Concerning technical justification for the project, NTCAA intends to propose workable solutions. <p>Issues 1 and 3 compressed as technical issues 95%.</p> <p>Issue 2 alternatives and options 5%.</p>	<p>The Commission stated only two issues were to be considered in the proceeding: (1) discussion related to mitigation measure feasibility and (2) discussion related to overriding considerations. The assigned ALJ warned NTCAA that “[i]ssues outside the scope are not compensable and consequently, customer’s estimate of its cost of participation is likely too high, since the estimate includes cost allocations for issues outside the established scope.” ALJ’s Ruling on North Tahoe Citizen Action Alliance’s Showing of Significant Financial Hardship at 7.</p>
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B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Gloria Smith	2013	11.10	\$277	Attorney	\$3,074.00	00.00	\$250.00	\$00.00
Gloria Smith	2014	13.9	\$257		\$3,571.00	00.00 ^[1] 1	\$255.00 ^[2]	\$00.00

PROPOSED DECISION

Tom Besich	2014	160	\$250	Expert	\$40,000.00	147.00	\$250.00	\$36,750.00
	2015	26	\$250		\$6,500.00	25.25	\$250.00 ^[3]	\$6,312.50
David McClure	2012	17.9	85	Advocate	\$10,612.3	00.00	\$85.00	\$00.00
	2013	70.35				00.00	\$85.00	\$00.00
	2014	36.60				36.60	\$90.00	\$3,294.00
David McClure	2014	52.20	185	Pro Se	\$12,487.5	52.20	\$90.00	\$4,725.00
	2015	15.30				15.30	\$90.00 ^[4]	\$1,377.00
						Subtotal: \$52,458.50 30% reduction: (\$15,737.55) Subtotal: \$76,244.8 Revised Subtotal: \$36,720.95		
OTHER FEES Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
McClure to PHC	2014	8	\$85	Advocate	\$680.00	8	\$45.00	\$360.00
Subtotal: \$680.00						Subtotal: \$360.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
McClure	2015	13.5	\$92.50	1/2 of \$185/hr Rate	\$1,248.75	13.50	\$45.00	\$607.50
Smith	2014					2.5	\$127.50	\$318.75
Subtotal: \$1248.75						Subtotal: \$926.25		

PROPOSED DECISION

COSTS				
#	Item	Detail	Amount	Amount
1	Postage	Postage for sending NTCAA	\$40.46	\$40.46
2	Copies	pleadings. Copies of NTCAA, other party, and PUC pleadings.	\$36.60	\$36.60
TOTAL REQUEST: \$78,250.61				TOTAL AWARD: \$38,084.26
<p>**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate</p>				
ATTORNEY INFORMATION				
Attorney	Date Admitted to CA BAR³	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation	
Gloria Smith	June 21, 1999	200824	No	

C. Attachments Documenting Specific Claim and Comments on Part III:

³ This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

Comment #	Intervenor's Comment(s)
Comment #1	<p><u>Hourly Rates for Advocate/<i>Pro Se</i> representation</u></p> <p>The rates for the attorney (Smith) and the expert (Besich) are consistent with Commission adopted rates per Resolution ALJ-308 dated March 26, 2015. Smith has 9-year experience and Besich has 25-year experience in his field of expertise. So their rates are well within adopted ranges.</p> <p>The initial rate of \$85/hour as advocate is a result of Mr. McClure's qualifications and experience, and consistent with a review of the Commission table of Intervenor hourly rates. Mr. McClure has an undergraduate degree and an MBA, with 12-years in the utility industry as a pump station and system controls technician (2 yrs) with the North Tahoe Public Utility District, then eventually serving on the Board of Directors of the same District for four years. Mr. McClure was also owner and operator of the Lake Forest Water Company for nine years, during which three rate case proceedings were initiated and moved through the water division of the Commission. This led to a unique set of skills in the utility business (technical and administrative) to be applied to this proceeding. Finally, Mr. McClure has resided and worked for 35 years in North Lake Tahoe and been integrally involved in local regulatory and development issues. The most recent (2011-2012) was as President of NTCAA in opposition to a proposed 2 Megawatt biomass plant in the Lake Tahoe Basin. The proposed plant was to tie in, at the Kings Beach substation and was supported by Sierra Pacific Power, Liberty Utilities, and Placer County. The local government and utilities' lack of technical knowledge about local biomass feedstock processing and storage facilities led to a protracted battle in Kings Beach. Mr. McClure wrote the technical documents were instrumental in convincing Placer County to relocate the facility outside the Tahoe Basin.</p> <p>The Advocate rate of \$85/hour is commensurate with this experience. Once it was determined by the Board of NTCAA that the cost of an attorney would significantly raise the cost of participation in this proceeding, the option of <i>Pro Se</i> representation was only available due to Mr. McClure's experience and skill level. The rate for <i>Pro Se</i> work of \$185/hour appears consistent with entry level experts or attorneys and more experienced paralegals. NTCAA believes this arrangement was</p>

	frugal and in the best interest of NTCAA and Liberty Utility ratepayers. If Smith (or any \$250/hr attorney) was retained for the prolonged duration of the proceeding, NTCAA believes the final Decision would have been no different but the cost could have been \$40,000 higher.
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CPUC Disallowances and Adjustments:

Item	Reason
[1]	During Smith's tenure as NTCAA's attorney, the intervenor was not a party to the proceeding. Smith's work performed prior to NTCAA's participation therefore did not substantially contribute to the Commission's decision. The Commission disallows Smith's 2013 and 2014 hours. 2.5 hours are allowed, at half-rate, since Smith assisted in drafting and editing the notice of intent to claim intervenor compensation. These hours have been moved to the appropriate heading.
[2]	Based on the timesheet and invoice provided, Smith billed NTCAA at a rate of \$250 per hour, a rate which the Commission now approves. The Commission applies the cost-of-living adjustment to Smith's rate and sets the 2014 rate \$255.
[3]	<p>The Commission disallows 10 hours from Besich's 2014 claim for excessive hours claimed related to the preparation of the technical report, which contained only 7 substantive pages.</p> <p>The Commission disallows 2.75 hours from Besich's 2014 claim for work directly related to Grassi's participation in the proceeding. Such work was not part of NTCAA's claimed participation and is not compensable.</p> <p>The Commission disallows 1 hour from Besich's claim 2015 as it was unrelated to the present proceeding and did not contribute to the Commission's decision.</p> <p>The Commission, based on the resume submitted with the amended claim, approves a rate of \$250 for Besich in 2014 and 2015.</p>
[4]	The Commission approves a rate of \$85 for McClure in 2012 and applies the appropriate cost-of-living adjustments found in Resolution ALJ-287, Resolution ALJ-303, and Resolution ALJ-308 to determine the appropriate rates for 2013, 2014, and 2015. The Commission declines to find that McClure's work should be compensated at the rate for experts

	<p>and attorneys.</p> <p>McClure's work in 2012 and 2013 occurred prior to NTCAA becoming a party to the proceeding. In addition, much of the work claimed by McClure related to the participation of North Tahoe Self Storage, which was denied party status by the Assigned ALJ. Such work is not compensable by the Commission.</p>
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PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?		Yes.
Party	Reason for Opposition	CPUC Discussion
Liberty Utilities	<p>On June 17, 2015, Liberty Utilities filed a response to NTCAA's claim for intervenor compensation. Liberty Utilities stated that the request for compensation should be denied, or significantly reduced, for the following reasons: (1) NTCAA did not demonstrate substantial contribution to the proceeding; (2) NTCAA's work was duplicative of Grassi; (3) NTCAA's claimed hours included time spent on hours outside the scope of the proceeding or from other proceedings; (4) NTCAA's rates claimed are excessive and the overall claim is excessive; (5) NTCAA's claim does not satisfy the Commission's requirements as it is vague and non-descriptive.</p>	<p>On July 2, 2015, NTCAA filed a reply to Liberty Utilities response, contending that it: (1) demonstrated substantial contributions to the proceeding; (2) did not duplicate the work of Grassi; (3) only worked on issues within the scope of the proceeding; (4) adequately claimed hours based on the need demonstrated in proceeding; and (5) provided detailed descriptions of the services provided.</p> <p>The Commission requested that NTCAA file an amended claim in order to clarify the substantial contribution component of the claim. On September 1, 2015, NTCAA filed an amended claim, which included modifications not requested by the Commission (e.g., changes to overall amount claimed and additional comments on the claim).</p> <p>Pursuant to ALJ Yacknin's email, sent on September 2, 2015, parties were allowed to file responses to the amended claim by September 16, 2016.</p> <p>Liberty Utilities filed a response to the</p>

PROPOSED DECISION

		<p>amended claim on September 16, 2015. Liberty Utilities stated that the amended claim included new information, not requested by the Commission, and therefore improperly utilized the amendment process. The Commission agrees and did not rely on the unsolicited information when determining NTCAA's award of intervenor compensation. Liberty Utilities additionally reiterated the arguments found in the original response to NTCAA's claim and discussed potential inaccuracies found in the amended claim for intervenor compensation.</p> <p>As discussed, above, the Commission agrees with many of Liberty Utilities comments on the claim and the amended claim for intervenor compensation. The Commission makes appropriate adjustments, as discussed above.</p>
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?		No.

If not:

Party	Comment	CPUC Discussion

FINDINGS OF FACT

1. North Tahoe Citizen Action Alliance has made a substantial contribution to D.15-03-020.

2. The requested hourly rates for North Tahoe Citizen Action Alliance's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$38,084.26.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

O R D E R

1. North Tahoe Citizen Action Alliance shall be awarded \$38,084.26.
2. Within 30 days of the effective date of this decision, Liberty Utilities shall pay North Tahoe Citizen Action Alliance the total award. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning November 15, 2015, the 75th day after the filing of North Tahoe Citizen Action Alliance's amended request, and continuing until full payment is made.
3. The comment period for today's decision is not waived.

This order is effective today.

Dated _____, at San Francisco, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1503020		
Proceeding(s):	A1008024		
Author:	ALJ Division		
Payer(s):	Liberty Utilities		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
North Tahoe Citizen Action Alliance (NTCAA)	05/18/15 (<i>amended</i> on 09/01/15)	\$78,250.61	\$38,084.26	N/A	<i>See</i> CPUC Disallowances and Adjustments, above.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Gloria	Smith	Attorney	NTCAA	\$277	2013	\$250.00
Gloria	Smith	Attorney	NTCAA	\$257	2014	\$255.00
Tom	Besich	Expert	NTCAA	\$250	2014	\$250.00
Tom	Besich	Expert	NTCAA	\$250	2015	\$250.00
David	McClure	Advocate	NTCAA	\$85	2012	\$85.00
David	McClure	Advocate	NTCAA	\$85	2013	\$85.00
David	McClure	Advocate	NTCAA	\$85/\$185 (<i>pro se</i>)	2014	\$90.00
David	McClure	Advocate	NTCAA	\$185	2015	\$90.00

(END OF APPENDIX)